

## A Tenant's Guide to Renting During the Foreclosure Crisis

### **1. Make sure that you are renting from the person who actually owns the property.**

There are scam artists out there who advertise and rent properties that they do not own. They find a vacant property (usually one with a pending or recent foreclosure), break in and change the locks, then advertise it for rent. When the real owner comes along and discovers you in there, you're going to get kicked out, even though you have a rental contract and receipts from some mystery guy who doesn't exist.

You can find out who owns the property by going to the County Assessor's Office. You can look this up if you have the address of the property. Ask to see ID from whoever is trying to rent to you to make sure that s/he is the real owner of the property.

### **2. Get a lease, especially if you have any suspicion that the landlord might lose the property.**

Under Federal Law, the new owner of a foreclosed property is required to honor the existing tenant's lease, unless the new owner bought the home to be his/her personal residence. So if you have a two year lease and you have been in the property for only six months, you will be able to stay for an additional year and a half—of course, you will have to continue to pay your rent.

### **3. If you don't get a lease, prepare to move after the property is foreclosed.**

If you don't get a lease, you are entitled to a 90 day notice. If you receive a 90 day notice, be sure to leave by the end of the notice period or the new owner can file an eviction case on you. An eviction case on your record can hurt your credit and make it more difficult to rent in the future.

### **4. If you find a "Notice of Trustee's Sale" on the door, pay attention!**

This tells you where and when the foreclosure sale takes place. Sometimes it may be postponed and you will need to keep track. Show up at the Trustee's Sale to find out who the new owner is and give him/her a copy of your lease and find out where to send rent payments. If the Trustee's Sale happens and you don't know where the new owner is or where to send the rent payments, you could be evicted for failure to pay rent.

### **5. Don't stop paying rent just because the landlord is being foreclosed.**

You owe the rent to the owner of the property regardless of whether s/he is making the mortgage payment. Your landlord can get you evicted for failure to pay rent even if the property is in the process of foreclosure.

### **6. Pay rent to the new owner.**

Find out who the new owner is and send the rent money for the remainder of your lease or your 90 day notice period.

For more information, go to [www.housing.org](http://www.housing.org), click on "Preventing Foreclosure—Free Information" and see "Foreclosure Information for Tenants"